

AMENDED IN SENATE AUGUST 17, 2005

AMENDED IN ASSEMBLY APRIL 20, 2005

AMENDED IN ASSEMBLY APRIL 5, 2005

CALIFORNIA LEGISLATURE—2005–06 REGULAR SESSION

ASSEMBLY BILL

No. 228

Introduced by Assembly Member Koretz
(Principal coauthor: Assembly Member Pavley)
(Coauthors: Assembly Members Goldberg, Laird, Leno, and
Lieber)
(Coauthor: Senator Kuehl)

February 3, 2005

An act to add Section 1374.17 to the Health and Safety Code, and to add Section 10123.21 to the Insurance Code, relating to health care coverage.

LEGISLATIVE COUNSEL'S DIGEST

AB 228, as amended, Koretz. Transplantation services: human immunodeficiency virus.

Existing law, the Knox-Keene Health Care Service Plan *Act* of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care and makes a violation of the act a crime. Existing law also provides for the licensure and regulation of health insurers by the Department of Insurance.

This bill would prohibit a health care service plan and a health insurer from denying coverage for the costs of organ or tissue transplantation services on the basis that the enrollee, subscriber,

insured, or policyholder is infected with the human immunodeficiency virus.

Because the violation of this requirement by a health care service plan would be a crime, the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 1374.17 is added to the Health and
2 Safety Code, to read:

3 1374.17. (a) A health care service plan shall not deny
4 coverage that is otherwise available under the plan contract for
5 the costs of solid organ or other tissue transplantation services
6 based upon the enrollee or subscriber being infected with the
7 human immunodeficiency virus.

8 (b) Notwithstanding any other provision of law, in the
9 provision of benefits required by this section, a health care
10 service plan may utilize case management, network providers,
11 utilization review techniques, prior authorization, copayments, or
12 other cost sharing, subject to the terms and conditions of the plan
13 contract and consistent with sound clinical processes and
14 guidelines.

15 SEC. 2. Section 10123.21 is added to the Insurance Code, to
16 read:

17 10123.21. (a) A health insurer shall not deny coverage that is
18 otherwise available under the *health insurance* policy for the
19 costs of solid organ or other tissue transplantation services based
20 upon the insured or policyholder being infected with the human
21 immunodeficiency virus.

22 (b) Notwithstanding any other provision of law, in the
23 provision of benefits required by this section, a health insurer
24 may utilize case management, managed care, or utilization

1 review, subject to the terms and conditions of the policy and
2 consistent with sound clinical processes and guidelines.

3 SEC. 3. No reimbursement is required by this act pursuant to
4 Section 6 of Article XIII B of the California Constitution because
5 the only costs that may be incurred by a local agency or school
6 district will be incurred because this act creates a new crime or
7 infraction, eliminates a crime or infraction, or changes the
8 penalty for a crime or infraction, within the meaning of Section
9 17556 of the Government Code, or changes the definition of a
10 crime within the meaning of Section 6 of Article XIII B of the
11 California Constitution.

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